Chapter 3: Markets for Tourism and Recreation

Geotourists are a Key Target Market for Montana

"Geotourism" is defined as "tourism that sustains or enhances the geographic character of the place being visited, including its environment, culture, heritage, landmarks, and the well-being of its residents."[1] Geotourism seeks to build a relationship between traveler and destination, and between guest and host.

Geotourists make up 55.1 million of the 154 million American travelers, or about 36%. Within that group, there are three sub-segments: Geo-savvys, Urban Sophisticates, and Good Citizens, who represent the most traveled, highest spending, and most educated travelers. The Geotourism segment that appears to be most closely aligned with Montana's tourism values is the 'Geo-savvy' segment. These travelers fit well with Montana's current statewide tourism product and infrastructure, and also complement Montana meeting/convention and business recruitment efforts.

The characteristics of the "Geo-savvy" sub-segment of geotourists are as follows:

- More than one-quarter reside in the nearby Pacific region, and 10% live in the Mountain region.
- Half (51%) live in large cities or urban areas, and 22% live in a city of 500,000 to 2 million.
- Participate in outdoor recreation more than any other segment.
- High average number of annual trips (7.9), with 44%, or 7.1 million, taking 5+ trips in the past year.
- Likely to have traveled internationally: 43% took at least one international trip in the past three years.
- Highest average number of annual pleasure trips (5.5) compared to all other segments.
- High incidence of business travel (42%) and high past-year business travel (5.6 trips on average).
- 65% have taken one or more trips by air in the past year, high propensity to use 1st/business-class (13%).
- Likely to have used expensive or luxury hotels in the past 3 years (68%), but high propensity to use all types of lodging including moderately priced (78%) and budget (58%) lodging.
- 81% prefer small-scale accommodations run by local people.
- Most likely of the segments to have used an RV in the past year.
- Preference for culturally/socially-oriented travel: 81% believe their experience is better when their destination preserves its natural, historic, and cultural sites/attractions; 83% seek authentic historic and archeological sites.
- 73% believe that educational experiences provided by travel are very important to them.
- 81% travel to experience people, lifestyles, and cultures very different from their own.
- 80% visit small towns and rural areas.
- 73% feel it is important to learn about their destination's people, history, and culture.
- Want to learn about other cultures (85%) and to pass on our nation's history to the next generation (93%).
- 84% feel it is important that they don't damage the environment when they travel.
- Nearly three times above average in enjoying primitive travel to wilderness areas (59%).
- Like outdoor adventure travel, challenge, risk and excitement (57%) or to travel to remote locales (66%).
- Enjoy outdoor recreation (73%) and sports (63%) at home; read/watch shows about nature/environment (61%); donate money to nature/environmental organizations (37%); subscribe to nature/environmental publications (35%); member of a group (30%) or nature club (18%).
- Intellectually curious: read/watch shows about history or culture (74%); watch public TV (71%); visit local historic sites (65%); attend classes/seminars/lectures (43%); join civic organizations (37%); donate to (40%) and/or volunteer for (33%) historic/cultural/educational organizations; visit local art galleries or museums (46%).
- Well above average in their support of controlled access to national parks and public lands (68%).
- 89% recycle, 85% try to save electricity and water at home, 60% buy energy-efficient appliances, 47% buy environmentally safe household products, and 27% buy organic food products.
- 44% buy from companies that donate to charities.
- Slightly more likely to be women (54% or 8.8 million) than men (46%).
- Over half of women in the segment are baby boomers (53%); 47% of men are baby boomers.
- One in four (28%) is a young adult under age 35, 8% are students.
- 60% have a college degree, 33% have a graduate degree; 32% hold professional/specialty positions.
- 38% (6.1 million households) have annual incomes over $75,000; 17% of households earn $100,000+.

[1] TIA and National Geographic Traveler, *Geotourism: The New Trend in Travel, 2003*

Strategic Target Market Decision-Making

Decisions about target markets, the best methods to reach them, and resources to allocate to each market, are the most important – and often the most vexing – responsibility of tourism/recreation marketers and managers. **"Getting it right" means the difference between a high or low return on investment, and determines whether the right or wrong kinds of visitors will be attracted.** For Montana to successfully attract high value, low impact visitors, the message, method, and target all need to be right.

To identify the "right" target markets, it is important to understand three things:

1. Who are the current visitors, and why are they visiting?
2. Who are the best potential visitors (that are not visiting now)?
3. Who is the competition, and how is Montana's product different?

The three questions seem simple enough, but obtaining good answers requires a significant amount of information and research about existing customers, other customer segments, and the competition and their strategies. Marketing is a science.

Current Visitors to Montana

Montana is fortunate to have dedicated funding, and a long-standing institution that collects and analyzes tourism and recreation data: the University of Montana Institute for Tourism and Recreation Research (ITRR, www.itrr.umt.edu). Every five years, a comprehensive statewide survey of nonresident travelers is conducted, producing a body of information that reveals trends in visitor demographics, activities, satisfaction, expenditures, etc. The reports are available online free of charge, and include implications for tourism marketers and managers.

Half of Montana's Nonresident Travelers are from Nearby States; Many Visitors are Former Montanans or Own Property in the State

According to ITRR,[2] 49% of 2005 nonresident travelers came from surrounding states and provinces (see sidebar). About one-third of travel parties (32%) were couples, 27% were traveling alone, 25% were traveling with family, and 7% with friends. Most had visited Montana before (83%); in fact, one-in-five are former Montana residents, 6% own a vacation home in Montana, and 4% were looking at property. Sixty percent of travel parties included someone age 55+, while 26% included kids 17 and under. More than half of the travelers (59%) earn $60,000+ annually (27% earn $100,000+). One-third of the travelers (34%) were in Montana primarily for vacation, while 27% were primarily just passing through, 19% were primarily visiting family/friends, 13% were on a business trip, and 2% were in Montana for shopping.

The destination vacation travelers to Montana came from further away (including international visitors), tended to be traveling with family or friends (36% included kids), and more affluent (66% earn $60,000+, 33% earn $100,000+). Their preferred activities were scenic driving, wildlife viewing/birding/nature study, day hiking, shopping, picnicking, historical and cultural sites/museums (including 15% of travelers interested in Lewis & Clark), developed camping, fishing, festivals/events, river trips, and skiing. More than half (55%) visited Yellowstone National Park, and 33% visited Glacier National Park.

2005 Origins of All MT Travelers

WA*	12%
ID*	10%
WY*	8%
CA	7%
ND*	5%
UT**	5%
ALB*	5%
CO	4%
MN	4%
OR*	3%
TX**	3%
SD	2%
AZ	2%
FL**	2%
IL	2%
MI	2%
WI**	2%
B.C.*	1%
SASK*	1%

Other States of origin of Vacation travelers: GA, KS, NE, NY, PA, VA

* Percentage was lower among Vacation Travelers

** Percentage was higher among Vacation Travelers

Source: ITRR

"A marketing plan published by Travel Montana in advance of the season would help those entities spending their own marketing $$$ spend them more wisely. TM is looked upon as marketing experts and many could benefit from their expertise."

- Survey Respondent

2 2001/2005 Nonresident Comparison Report, ITRR

Customer Attitudes and Expectations about Montana

In spring 2007, the University of Montana Institute for Tourism and Recreation Research (ITRR) conducted an email survey of 715 randomly-selected individuals who had inquired to one or more of the tourism regions about visiting Montana. The purpose of the study was to assess nonresident expectations before coming to Montana, and whether those expectations were fulfilled. Fewer than half of the survey participants (49%) had visited Montana before.

Responses from those who visited Montana in the past year:

71.7%	Expectations were met and exceeded
24.4%	Expectations were met as expected
3.6%	Expectations not met, but still a good experience
0.3%	Expectations not met, visitor was unhappy

Among those who have never visited Montana:

Expect to see: mountains, wildlife, beauty, scenery
Expect to feel: relaxed, rest, awe, inspired
Expect to experience: nature, outdoors, excitement

Among previous visitors (visited before but not in the past year):

Expect to see: mountains, wildlife, scenery
Expect to feel: relaxed, rest, happy, fulfilled, awe, inspired
Expect to experience: hiking, happy, fulfilled, relaxed, rest

Actual visitor experiences (descriptions by those who visited in the past year):

Visitor saw: beauty, mountains, wildlife, awe, inspired, scenery, open space
Visitor felt: happy, fulfilled, relaxed, rest, awe, inspired, peace, welcomed, excitement
Visitor experienced: happy, fulfilled, awe, inspired, beauty, friendly, people

Two aspects that were not mentioned by non-visitors, but appeared among visitors, were "friendly people" and "welcomed feeling". In general, adjectives used by visitors were more expressive, descriptive, and heartfelt than those used by non-visitors.

The findings indicate that Montana is meeting customer expectations, and that messages communicated to potential visitors appear to be consistent with their actual experiences, based on their expectations before traveling.

Friendly people, and a welcoming feeling, were frequently experienced by visitors to Montana.

Potential Markets: U.S. Traveler Segments

Nationally, tourism continues to grow, but there are significant changes in the tourism and recreation environment, and in customer habits, tastes, and preferences over the past five years. **If Montana is to remain competitive, it must adapt its product and promotion efforts to respond to the needs of today's tourism customers.** Below and on the following pages is a summary of traveler segments provided by the Tourism Industry Association (TIA), from their *Domestic Travel Report, 2005 Edition.*

Top 10 Activities of U.S. Resident Travelers, 2004

Shopping	30%
Attending a social/ family event	27%
Outdoor activities	11%
Rural sightseeing	10%
City sightseeing	10%
Beach activities	9%
Visiting historic Places/museums	8%
Gambling	7%
Theme/Amusem't Park	7%
National/State Park	7%

Source: Travel Industry Association, *The Power of Travel 2006*

Family and Friends are the Largest Motivators for Travel

The most popular leisure travel purpose, in Montana and nationally, is visiting friends or relatives (VFR). Nationally, VFR travel accounts for half (50%) of all leisure trips. Other trip purposes include entertainment (18%) and outdoor recreation (11%), and one-third (31%) of leisure trips include children. (Source: TIA, www.tia.org)

Leisure Travelers Hit the Road in Summer, Seek Authenticity

Nearly one-third (32%) of all leisure trips take place in June, July and August (when kids are not in school), and 80% of the trips are taken by car, truck or RV. The most common activities on leisure trips are shopping, attending a social/family event, outdoor activities, rural sightseeing, beach activities, city/urban sightseeing, and visiting historic places and museums. **Both domestic and international travelers are touring the countryside more to find the "authentic" American experience.** 81% of U.S. adults include a historical or cultural activity during their trip, and these travelers spend more than other travelers. (Source: TIA, www.tia.org)

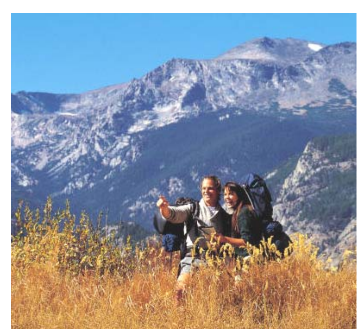
Business Travelers Spend More, Combine Business and Leisure

Business travelers spend an average of $474 per trip, compared to $372 for leisure travelers, and 83% of business trips are taken by solo travelers. One-third (34%) of business travelers are attending a convention or meeting, and 38% of business trips include air travel. A majority (62%) of business travelers included leisure activities during at least one of their trips, and two-thirds (66%) took family or friends on that trip.

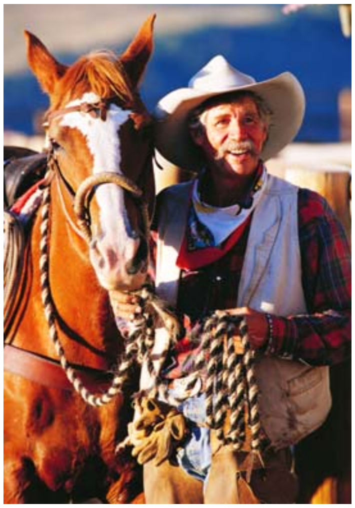
Motorcoach Travelers Learn While Spending $5,000-$11,000 per Day

More than 774 million people use motorcoach tours each year. A fully-loaded motorcoach (46 passengers) contributes an average of $5,000 to $11,000 per day to the local economy, spending money on meals, lodging, shopping, admission fees, souvenirs, and local taxes. More tour operators are offering one-day sightseeing tours, independent packages, event packages, and learning packages such as wine tasting, family, agricultural, gay/lesbian packages, etc. (Sources: American Bus Association, www.buses.org, and National Tour Association, www.ntaonline.com)

Adventure Travelers Primarily Seek Soft Adventure



About 72% of Americans participate in at least one human powered active outdoor activity, and many plan vacations around an outdoor or adventure activity. Adventure/ outdoor travel growth has leveled off from its pace in the 1990s, but remains a strong segment, generating $243 billion in travel-related retail sales and services (food/drink, transportation, entertainment/activities, lodging, souvenirs/gifts/misc). The most popular activities are hiking/backpacking, swimming, fishing, and camping. (Source: Outdoor Industry Association, www.outdoorindustry.org, America Outdoors, www.americaoutdoors.org)



"We have found one new segment that is not mentioned: families, friends, or groups (e.g. Sunday School bible classes!) who are traveling to Montana in the winter just to experience snow, snow-related activities, affording their children a chance to see snow for the first time. Primarily from southern states ranging from Florida to California."

- West Yellowstone CVB

U.S. Snowmobilers

- 75% are married
- Average age: 42
- 37% are over age 50, 17% over 60
- Avg. household income: $70,000
- 18 years experience snowmobiling
- 80% use their snowmobiles for trail riding and touring on marked and groomed trails; 20% use their snowmobiles for work or ice fishing
- Average is 960 miles per year
- Expenditures total $4,000/year on snowmobile-related goods/services

Sources: Motorcycle Industry Council Survey of ATV Owners; Snowmobile Manufacturers Association

Guest Ranch Visitors Seek Family and Specialty Experiences

Dude ranch vacations continue to see growth and diversification. Traditional dude ranch activities include horseback riding, cattle drives, river rafting, line dancing, fishing, cookouts, swimming, and kids programs. However, many ranches offer special programs and weeks for family reunions, singles, adults-only, mother-daughter, photography, fall foliage, artists, etc., along with conferences and team building events. About 10% of guest bookings are international, primarily from England and Germany. (Source: Dude Ranchers Association, www.duderanch.org)

RV Travelers are Younger, Continue to Travel Despite Fuel Costs

Americans are traveling shorter distances and on weekends with less planning. Camping and RVing are compatible with "last minute" decisions. In 2004, 7+ million U.S. households owned an RV (1-in-12). By 2010, the number is projected to be 8 million households. The largest and fastest growing segment of RV buyers is age 35-54. (Source: RV Industry Association, www.GoRVing.org)

Geotourists Seek Authentic, Sustainable Destinations

Geotourists are interested in natural, cultural, and heritage attractions, seeking to learn about other places and cultures while preserving the character and integrity of the place. About 55 million U.S. travelers are classified as geotourists. These sustainability-conscious travelers are among the fastest growing travel trends. **Geotourists will pay more to use companies and visit destinations that practice environmental stewardship and provide authentic experiences.** (Sources: TIA, National Geographic Center for Sustainable Destinations, www.nationalgeographic.com/travel/sustainable/)

National Forest Visitors are Primarily Locals, National Park Visits Declined after 9/11, But Volunteerism Hits Record Highs

National forests provide opportunities for wildlife-related tourism (viewing, hunting, fishing), heritage tourism, adventure and eco-travel, learning travel, scenic driving, and "volun-tourism". National Recreation Reservation Service (NRRS) system camp reservations indicate that visitation is stable. Meanwhile, national parks experienced sharp drops in visitation after 9/11 from losses of international travelers. Visitation at some parks has recovered, but system-wide numbers are still down from 2000 levels. However, in 2004, 140,000 volunteers contributed 5 million hours of service to parks. (Sources: TIA, USFS www.fs.fed.us)

Snowboarders and Snowmobilers Drive Winter Sports Growth

The number of snowboarders grew 400% from 1998 to 2004 to 6.6 million people. In 2004, over half of skier visits (54%) occurred on weekdays, and only 46% on weekends. There are 1.75 million snowmobile owners, taking an average of 7.5 weekend trips with 5 nights in a hotel, and generating $20 billion in economic activity. More women are snowmobiling, and there is continued improvement and upgrading of hotels catering to growth in the upscale snowmobiler market, which is driven largely by baby boomers. According to a study in Jackson Hole, 40% of downhill skiers also snowmobile during their trip. (Sources: National Ski Areas Assn., www.nsaa.org, Snowsports Industries America, www.thesnowtrade.org, International Snowmobile Manufacturers Assn., www.gosnowmobiling.org, Jackson Hole Resort)

Off Highway Vehicle (OHV) Recreation Enhances Rural Economies

Of the total U.S. population in the West, 27.3% participate in OHV recreation, and 29.1% of Montanans participate in OHV recreation.[3] Montana has thousands of miles of forest roads and trails, and has long been a popular all-terrain vehicle (ATV), motorcycle, jeep, and snowmobile destination. Off Highway Vehicle (ATV and motorbike) registrations in Montana increased 68% from 2003 to 2006. Many rural Montana communities benefit economically from year-round family off-road vehicle recreation, and OHV recreation is a significant part of Montana's existing tourism for residents and nonresidents.

U.S. ATV Owners

- 71% are married
- Median age: 40
- 46% are over age 40, 22% over 50
- Median household income: $60,200
- 25% earn $75,000+
- 23% earn $50-$75,000
- 43% are Professional/ Technical/ Manager/ Proprietor occupations
- 28% are Laborers/ Craftsmen
- 10% are Retired
- Increasing number of women participating in off-road vehicle trips.

Source: Tourism Industry Assn.

Golf and Sports Event Travelers Create a Large Economic Impact

Golf tournaments, marathons, half-marathons, triathalons, fishing tournaments, and other competitions draw travelers who spend money on lodging, dining, supplies, and even spa services. Golfers alone spend $26+ billion annually on golf travel, and the number of junior golfers increased by 7.4% annually from 1999 to 2004, particularly among females. (Sources: TIA, Road Running Info Center www.runningUSA.org)

Spa Goers are More Mainstream, Seek Treatments While Traveling

Spas are one of the largest leisure industry segments, and are no longer seen as just a luxury activity. The 14,600 spas in the U.S. generated 110 million visits and $9.4 billion in 2006, focusing on wellness, nutrition, exercise, and relaxation. Gen Xers have introduced their parents to spas, and many include spa activities while traveling. Men now account for nearly one-third of spa goers in the U.S., 40%+ in Europe and Asia. **Trends include an embrace of nature and local ingredients**, spa cuisine, and custom treatments for athletes, golfers, sleep deprivation, etc. (Source: International Spa Association www.experienceispa.com)

Cuisine Travel and Vacation Homeowners Indicate More Affluence

Restaurant sales have shown steady growth for 15 years, driven by a strong economy and increases in consumers' disposable income. Dining, wine tasting, and specialty cuisine are important factors in vacation planning, as **travelers expect higher levels of quality and service and locally-grown specialties to enhance their vacation experiences.** Similarly, vacation timeshares have experienced a resurgence as travelers seek more vacation amenities and investment opportunities. (Sources: National Restaurant Assn. www.restaurant.org, American Resort Development Assn. www.arda.org)

Cruise Ship and Train Passengers Appreciate Package Trips

The number of cruise passengers grew 9.5% to 11 million people in 2005. Cruise lines added six new ships in 2006, and eight more in 2007. Cruise lines are popular for their **convenient "all in one" packages that include meals, lodging, transportation, and entertainment, with optional activities for various members of the family.** Amtrak ridership also has increased, particularly on east coast, midwest, and southwest routes. In September 2007, ridership was up 8.4% compared to September 2006. Amtrak has gone high tech, adding wireless Internet and portable entertainment systems with movies, TV, and music, in response to customer demand. Amtrak also has added more packaged vacations with local destinations to its offerings. (Sources: TIA, Cruise Lines International Assn. www.cruising.org, Amtrak www.amtrak.com)

[3] Off-Highway Vehicle Recreation in the United States, Regions and States: A National Report from the National Survey on Recreation and the Environment (NSRE), www.fs.fed.us/recreation/programs/ohv/OHV_final_report.pdf, June 2005.

The sliding U.S. dollar, and Montana's tax-free retail sales, are increasingly important attractions to Canadians.

Table Games, Indian Gaming, Racetrack Casinos are Growing

The gaming industry continues to grow, with the strongest segments being Indian gaming, racetrack casinos, and table games. More than half of casino resort revenues come from non-gaming sources such as entertainment, dining, and shopping. Travelers who participate in gaming are more likely than U.S. travelers overall to travel by motorcoach (7% vs. 2% of person-trips) and include a stay at a hotel, motel, or B&B on overnight trips (79% vs. 55%). Gaming travelers stay an average of 3.9 nights on their trip. Nearly one-in-five American adults (18%) played poker in 2004, a trend driven by the popularity of television poker competitions. (Sources: TIA, American Gaming Association, www.americangaming.org)

Garden Tours Enjoyed by Young and Mature Travelers

Nearly 40 million Americans, or one-fifth of U.S. residents (20%) took a garden tour, visited a botanical garden, attended a gardening show or festival, or participated in some other garden-related activity in the past five years. College graduates, travelers with an annual household income of $75,000 or more, married travelers, and travelers 55-64 years old are the most likely garden-related travelers. (Source: TIA)

Tax Refunds are Sources of Vacation Spending

One in five U.S. adults (19%) who receive a federal, state, or local tax refund use some or all of it to take a pleasure or vacation trip. This translates to 20.9 million U.S. adults. Generation Y or X'ers (18-34 years) and mature travelers (55+) are most likely to use some or all of their refund for travel. Twenty-five percent say they will use most or all of their refund on travel, while another 25% say one-half of the refund will be used for a pleasure trip. (Source: TIA)

Romantic Travel is a Timeless Niche Market

More than 42 million Americans say they have taken at least one trip in the past year to attend a wedding, go on a honeymoon, or celebrate an anniversary. Honeymooners outspend the average traveler by more than three times. Romance-related travel is most popular among baby boomers, as four in ten (41%) romance travelers are age 35-54. One-third of these travelers are Generation X and Y travelers between the ages of 18 and 34. The majority of romance-related travelers are married. (Source: TIA)

Niche Markets Provide Opportunities

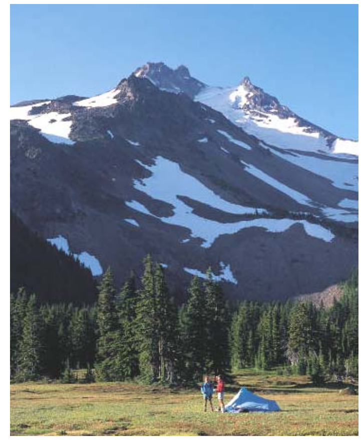
The information about niche markets above and on the preceding pages is provided to highlight potential opportunities for ALL Montana communities to attract visitors, using their unique assets to target visitors in off-peak seasons. Customers within each of these niche segments can be reached by targeted marketing through special interest web sites, publications, clubs, associations, and events. With the weak U.S. dollar, Canadian consumers in these niche segments should be targeted along with U.S. consumers.

Montana's Competition

The average American sees 3,000 marketing messages daily, and some experts claim that **97% of all tourism advertising is ineffective** because it is too generic, and destination partners are uncoordinated in their messaging and branding efforts.[4] Every year, another 2,000 communities in the U.S. and Canada pursue tourism as a priority strategy. Of the 425 counties in the western U.S., 409 of them promote outdoor recreation as their *primary* tourism draw.

Traditionally, Montana's primary competitors for nonresident visitors were states and provinces with similar attractions (mountains, national parks, wildlife, open space, outdoor recreation, etc.), such as Wyoming, Colorado, Idaho, Alaska, Washington, Oregon, Utah, British Columbia, and Alberta. However, in a global sense, **Montana's competition comes from any destination that attracts travelers seeking natural scenery, wildlife, adventure, mountains, etc.** Key competitors are destinations like New Zealand, Australia, Costa Rica, Argentina, Honduras, Norway, Chile, Slovenia, Ukraine, Switzerland, China, Tibet, etc. With a global economy, and increasingly sophisticated travelers, competition is about continents and countries, not just states. From that perspective, **Montana's surrounding states and provinces become allies – rather than competitors – in marketing the larger northern Rockies region as a desirable destination.**

The states, provinces and countries listed above all have mountains, recreation, wildlife, open space, and beautiful scenery, and most have national parks (or World Heritage Sites). In other words, Montana cannot compete effectively based solely on physical attributes. The other destinations also (for the most part) have friendly people, and affordable and uncrowded locations. Moreover, **many of those competitors have better shopping, dining, nightlife, interpretation, and transportation systems than Montana.**



Green Tourism Expands

Scotland has a Green Tourism Business Scheme (GTBS) program that encourages tourism businesses to be environmentally friendly. The GTBS has 700+ members, all of whom are rigorously assessed and given a Bronze, Silver or Gold Award, depending on the level of energy-efficiency they achieve. Members are encouraged to introduce measures which are designed to lessen the impact of their business on the environment. Measures can be as diverse as using low-energy light bulbs or corridor lights that go on when people approach, using local produce on menus, or promoting wildlife walks and cycle hire in their area.

Source: visitscotland.com

Montana's Brand

How Does Montana Differentiate Itself?

The brand of a destination helps identify its uniqueness, and position it in the market based on its target customers. The **brand is defined by the perception of the customer** – it is not necessarily how the destination views itself, but how it is viewed by its target customers. The brand is more than a place, and more than a logo or slogan – it is an <u>experience</u>.

Therefore, defining the brand involves first identifying target customers, and then talking to them about their perceptions of the destination. In fall 2007, Travel Montana began a brand development process involving focus groups among selected traveler segments in Seattle, Chicago, and Atlanta. The results of those focus group discussions were presented at the October Tourism Advisory Council (TAC) meeting, and to Montana tourism and recreation industry partners in a series of statewide workshops in November, where attendees offered their perspectives. As of this writing, brand position statements are being developed for Montana that reflect the perception of the customers in the context of the values of Montanans.

Examples of Tourism Brand Position Statements

Super, Natural British Columbia
The Happiest Place on Earth
What Happens Here, Stays Here.
The Fun Ships
The Sunshine State
Fly the Friendly Skies
The Possibility of Perfection
City of Light
The Grand Canyon State
Get the truth. then go.
We'll leave the light on for you

[4] Roger Brooks, Destination Development

Priority Target Markets: Focus on Niches

Targets Represent Existing and Emerging Niche Markets

Survey Respondents' List of Important Niche Markets

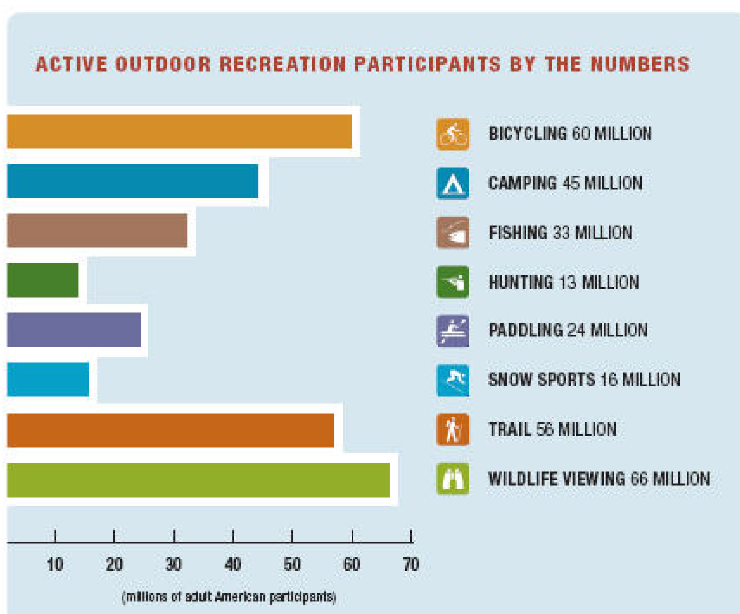
Niche Market	Percent
Wildlife viewers	71.9%
Anglers	70.5%
Photographers	68.4%
Adventure travelers	68.1%
Scenic drivers	62.3%
Cultural & Heritage travelers	61.4%
Bird watchers	58.8%
Hunters	56.7%
Weddings, reunions	54.6%
Geo/eco-tourists, wilderness visitors	53.9%
Skiers, snowboarders, snowshoers	41.2%
RVers or campers	41.2%
Snowmobilers	37.0%
Geologic, scientific travelers/groups	36.8%
Golfers	36.5%
Education travelers, Volun-tourists	32.8%
Elderhostel groups	28.1%
Snowbirds	26.9%
Geocachers, tech-savvy travelers	25.1%
Team-building, affinity groups	24.8%
Dinosaur buffs	24.4%
Home-schoolers, educational tours	23.7%
Train buffs	22.0%
Private pilots associations, clubs	21.5%`
Pow wow competitors, musicians	18.5%

At the February 2007 TAC meeting, the participants discussed potential niche markets that represented high value, low impact visitors who could be targeted for off-peak season travel to Montana. The list of niches was then included as a question on the statewide online survey in March 2007, where respondents were asked to indicate "which niches" are important to their business, attraction, or community. The sidebar at left shows the percentage of survey respondents who indicated each niche was important. The top choices are consistent with the results of the 2005 ITRR survey of nonresident travelers, in terms of the activities they preferred, and many of the niches are consistent with the profile of Geo-savvy travelers.

More than two-thirds of the survey respondents chose wildlife viewers, anglers, photographers, and adventure travelers as important to them, and more than half cited scenic drivers, cultural/heritage travelers (including those interested in Lewis & Clark), bird watchers, hunters, weddings/reunions, and geo/eco-tourists. Other niches mentioned by respondents included motorcycle groups/rallies, historians, rodeo fans and competitors, microbrew and wine-tasters. **Clearly, Montana's wildlife resources, scenery, outdoor recreation, history and culture are the top draws.**

There are myriad ways to target specific niche markets through web sites, specialty magazines and newsletters, clubs and associations, partnerships with specialty equipment suppliers or retailers, cable/public TV channels and radio programs, relationship marketing, design of visitor guides by activity, etc. Custom itineraries, driving tours, and vacation packages also increase interest among these niche groups, such as birding or wildlife viewing trails, cultural tours, scenic byways, etc.

The demographic target markets listed in the sidebar at left are priorities for Montana tourism and recreation marketing efforts. Geographically, Montana's neighboring states will continue to be a primary source of visitors, but highly targeted and effective promotion efforts to various niche segments will help extend Montana's global reach.



Source: Outdoor Industry Assn., *Active Outdoor Recreation Economy Report,* 2006, www.outdoorindustry.org.